BEFORE

THE PUBLIC SERVICE COMMISSION OF

SOUTH CAROLINA

DOCKET NO. 94-030-C - ORDER NO. 94-190

MARCH 8, 1994

IN RE: Request of Intellicall Operator Services, Inc. for Approval of Revisions to its S.C.P.S.C. Tariff No. 2. Which Provides for Prepaid Telecommunications Service.

ORDER GRANTING APPROVAL OF AMENDED TARIFF OF Prepaid Telecommunications Service.

This matter comes before the Public Service Commission of South Carolina (the Commission) on the December 13, 1994, request of Intellicall Operator Services, Inc. (Intellicall or the Company) for approval of its South Carolina P.S.C. No. 2. Tariff. The purpose of this filing is to introduce IOS Prepaid Telecommunications Services. The service, as proposed, provides an outbound voice grade service for calls charged to an IOS prepaid calling card.

The Commission's Executive Director instructed Intellicall to publish, one time, a prepared notice of filing in newspapers of general circulation in the affected areas. The purpose of the Notice of Filing was to inform interested parties of Intellicall's Application and the manner and time in which to file the appropriate pleadings for participation in the proceeding.

Intellicall complied with this instruction and provided the Commission with proof of publication of notice of filing. A Petition to Intervene was filed by the Consumer Advocate for the State of South Carolina (the Consumer Advocate). After the filing

of Intellicall's amended tariff on February 4, 1994, however, the Consumer Advocate filed a letter stating that it would not participate in any hearing scheduled in this Docket. The Commission believes that this tantamount to a Motion to Withdraw, and the Commission grants this Motion.

It should be noted that the February 4, 1994, amended filing included revisions to Section B.7. to include provisions for contested charges and refunds.

The Commission has examined this matter and believes that the amended Tariff as filed should be approved with certain conditions. First of all, Intellicall has agreed to follow the mandates of Commission Order No. 93-462 dated June 3, 1993 in Docket Nos. 92-182-C, 92-183-C, and 92-200-C in its provision of intraLATA service. The Commission believes that this is reasonable and hereby orders Intellicall to follow the provisions of Order No. 93-462, as agreed.

Further, the affidavit of B. Reid Presson, Vice-President of Regulatory Affairs for Intellicall states that the Company is familiar with the Commission's ruling in Docket No. 93-114-C, Order No. 93-600, in which the Commission granted a certificate to World Telecom Group, Incorporated. In Presson's affidavit, the Company agrees to follow the Commission's ruling in that proceeding with regard to the posting of a bond prior to providing prepaid services in South Carolina. In the World Telecom Order, the Commission held that, due to the nature of the service proposed by that Company where the subscriber must pay for services before the service is rendered, the Commission believed that a bond was necessary for the

protection of subscribers in South Carolina, until such time as the Company had operated in the State, and has had the opportunity to demonstrate its stability. Therefore, in that case, the Commission required as a condition of the Company's provision of debit card service, that the Company post a bond with the Commission by delivering to the Commission certificates of deposit in the amount of \$5,000.00 and drawn in the name of the Public Service Commission of South Carolina. The Commission believes that an identical scenario exists in the present case and that Intellicall should follow the mandates of the World Telecom Order as stated. certificates of deposit shall be drawn on a federal or state chartered bank or savings and loan association who maintains an office in this state whose accounts are insured by either the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation. This shall be done prior to the prepaid services being provided. After twelve months from the date of this Order, the Commission will review the Company's financial reports and reassess the requirement of Intellicall maintaining a bond.

IT IS THEREFORE ORDERED THAT:

- 1. The amended Tariff, as filed by Intellicall Operator Services, Inc. on February 4, 1994 is hereby approved.
- 2. The Company shall abide by the provisions of our Order No. 93-462 dated June 3, 1993.
- 3. The Company shall abide by the bond provisions as stated above, as originally stated in our Order No. 93-600.
 - 4. That this Docket shall be closed.

5. That this Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:

Harry D. Jones

ATTEST:

Executive Director

(SEAL)